building competitiveness for maintaining leadership in the Indian Steel Market. The competitiveness, defined in terms of cost, quality and growth would be achieved by optimum usage of existing assets and addition of new assets/technology. The competitiveness will also be achieved by strategies for sourcing key raw materials. The plan envisages a growth in production to 22.5 MT of Hot Metal with investments of about Rs. 37,000 crores.

To bring down the cost of production, technological interventions like augmenting concast route, 100% Basic Oxygen Furnaces, introduction of auxiliary fuel usage, oxygen enrichment, increase in power generation through JVs etc. are planned to be introduced. Ten new finishing mills with state of art technology are planned to be installed.

SAIL has made extensive plans to improve the quality of products across the value chain and make value added steel, which will help in improving marketability and financial performance. Substantial investments are being planned in this regard. For improvement in quality, specific actions identified in the areas of pre and post treatment of metal, on-line testing and quality control facilities, standardization/ automation/process control and information technology.

Production and Consumption of Steel

1326. DR. M.A.M. RAMASWAMY: Will the Minister of STEEL be pleased to state:

(a) whether even though India has huge iron-ore deposits and sufficient quantity of manganese, it has not been able to produce higher quantity of good steel;

(b) if so, the reasons therefor;

(c) whether Government propose to encourage consumption of steel in construction of houses and discourage use of wood thus saving valuable forests;

(d) if so, the details thereof: and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (DR. AKHILESH DAS): (a) Steel production in India has continued to grow at a steady pace and the growth rate over the past fifteen years has been about 7% per annum.

(b) Does not arise, in view of (a) above.

(c) and (d) In a liberalized and deregulated environment the Government acts as a facilitator in fostering growth of the steel sector. The National Steel Policy (NSP) seeks to promote consumption of steel through promotional efforts, creation of awareness about the benefits of steel usage and strengthening the delivery chain. In collaboration with the steel producers an Institute for Steel Development and Growth (INSDAG) has been functioning for promotion of steel consumption, particularly in the construction sector. Through market analysis and research the INSDAG has been setting up design prototypes and offering consultancy for steel intensive construction. Increased use of steel would automatically lead to reduction in utilization of other alternate materials.

(e) Does not arise in view of (c) and (d) above.

Development of mining blocks of SAIL

1327. SHRI RAVULA CHANDRA SEKAR REDDY: Will the Minister of STEEL be pleased to state:

(a) whether the SAIL has developed any new mining blocks during the last two years and augmented loading facilites;

(b) if so, the details thereof, year-wise; and

(c) the future programme of new mining blocks, so far, approved and in the pipeline identified upto 2008?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (DR. AKHILESH DAS): (a) and (b) The following mining blocks have been developed by the Steel Authority of India Limited (SAIL) during the last two years. Development of these blocks is a continuous activity.

(i) Chasnalla Colliery:

- Deep Mine-13 Seam (west)

- Upper seam-16 B Seam (East & West), 16 A Seam (East)